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SUPERIOR COURT OF N.J.
MERCER COUNTY
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SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION-MERCER COUNTY
DOCKET NO.: C-086-04

I/M/O the Rehabilitation
of MIIX Insurance Company

Civil Action

ORDER

This matter having been opened to the Court by Peter C. Harvey, Attorney General of New Jersey, by James A. Carey, Jr., Deputy Attorney General, as attorney for Holly C. Bakke, Commissioner of the Department of Banking and Insurance of the State of New Jersey and Rehabilitator of MIIX Insurance Company in Rehabilitation ("the Rehabilitator"), and the Court having considered the Rehabilitator's application, and the arguments, objections, statements and matters presented by interested persons at the hearing held on February 18, 2005, and for the reasons set forth on the record and the Court having reviewed the comments and objections to the form of this Order and for good cause shown;

IT IS on this 24th day of February, 2005,

ORDERED as follows:

1. The application of the Commissioner seeking a stay of the commencement of trials, the scheduling of settlement conferences, mediations and arbitrations in order to implement the proposed settlement plan is hereby granted with the following modifications:

a. the schedule for the Rehabilitator to make settlement offers which is explained in paragraph 22 of Deputy Rehabilitator White's January 4, 2005 Certification is modified to provide that claimants and plaintiff's attorneys will have until May 25, 2005 to consider and respond to the Rehabilitator's settlement offers, which will be mailed no later than May 2, 2005;

b. the Rehabilitator will provide notice to claimants on a rolling basis but no later than May 2, 2005 of those cases that have been identified to receive settlement offers under the settlement plan and those cases that will not be considered as part of the settlement plan;

2. The commencement of trials, the scheduling of settlement conferences, mediations, and arbitrations currently or hereafter pending against MIIX Insurance Company or an insured of MIIX Insurance Company in the State of New Jersey or

elsewhere, are hereby stayed effective at 9:00a.m. on February 28, 2005, until July 25, 2005 unless for good cause extended or terminated earlier by further Order of the Court. This stay shall not apply to cases in which a jury has been selected, empaneled or sworn in prior to February 28, 2005. This Court acknowledges that this Order may not be effective outside the State of New Jersey; however the potential for success of this settlement plan is dependent in part upon the courts of foreign jurisdictions being indulgent in granting comity to this Order;

3. This Order does not bar claimants from filing new actions against MIIX Insurance Company or its insureds;

4. This Order does not stay the continuation of discovery in any litigation which is currently pending against MIIX Insurance Company or the insureds of MIIX Insurance Company, nor does this Order stay any discovery in any new actions upon filing. This Court requests that the trial judges in individual cases be indulgent during the pendency of this stay to extensions of discovery end dates in light of the stay of trials and the pending settlement plan;

5. This Order specifically permits those cases in which a MIIX insured has received a stipulation of dismissal with prejudice to go forward against any other defendants. There

will be a continuing review concerning other categories of cases which may be exempted from the stay;

6. Paragraph 11(f) and paragraph 11A of the Order of Rehabilitation entered by this Court on September 28, 2004, are modified to conform to the terms of this Order;

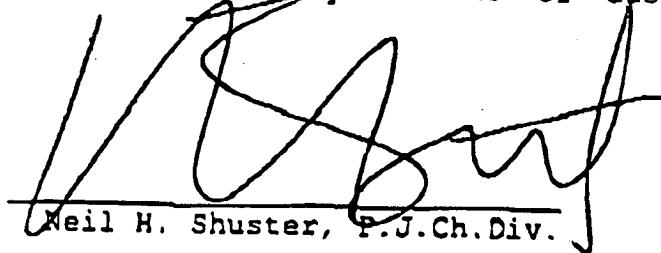
7. A copy of this Order shall be served upon counsel for all parties that have previously filed any papers in this matter within 5 days of the date hereof;

8. A copy of this Order shall be forwarded to each Civil Presiding Judge and Civil Division Manager in each vicinage within 5 days of the date of this Order;

9. A copy of this Order shall be forwarded to counsel for all litigants in matters which are currently scheduled or listed for trial during the period of this stay, or directly to pro se litigants as practicable, within 10 days of the date of this Order;

10. The Commissioner as Rehabilitator shall forthwith provide to this Court a list of all pending cases known to be subject to this stay, including cases with trial dates and those cases which are awaiting trial dates; and

11. Notice of this Order to any other interested parties shall be accomplished by publication in The Newark Star Ledger, The Camden Courier-Post, The New Jersey Law Journal and The New Jersey Lawyer as soon as possible; and that such Notice shall constitute good and sufficient notice of this Order to all persons having an interest in or claim against MIIX Insurance Company or its insureds subject to the requirements of due process of law.



Neil H. Shuster, P.J.Ch.Div.